

RESOLUTION NO. _____

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MILPITAS
ADOPTING FINDINGS DEMONSTRATING A COMPELLING NEED TO
PREFER MILPITAS UNIFIED SCHOOL DISTRICT PUBLIC SCHOOL
TEACHERS FOR AFFORDABLE HOUSING UNITS WITHIN THE CENTRIA
AND PARAGON RESIDENTIAL PROJECTS**

WHEREAS, the City of Milpitas Consolidated Plan approved by the Department of Housing and Urban Development (HUD) identifies a high priority need for affordable housing for low and moderate income renters and homeowners; and

WHEREAS, the City of Milpitas and County of Santa Clara County are facing an acute housing crisis which specifically impacts low and moderate income renters and homeowners, including public schoolteachers and their ability to find affordable housing; and

WHEREAS, the City of Milpitas has adopted a Density Bonus Ordinance, waived development fees and provided Redevelopment Agency and Community Development Block Grant funds to assist in providing affordable housing to low and moderate income households; and

WHEREAS, over the past several years, the City of Milpitas has financially supported and approved 1,046 affordable housing units to meet its fair share of affordable housing requirements and still cannot meet the demand for affordable housing units for its residents and workers, including public schoolteachers; and

WHEREAS, the Milpitas Unified School District (MUSD) has experienced a difficult time recruiting and retaining qualified public schoolteachers based on the acute housing crisis and the cost of housing in Milpitas and Santa Clara County based on the income levels of public schoolteachers; and

WHEREAS, during the past three years the MUSD has experienced a significant turnover rate. Furthermore, a substantial number of teachers hired within the three year period have left the area or left public education because of the high cost of rental housing and/or their inability to purchase a home in the Bay Area region; and

WHEREAS, this discrepancy between teachers pay and average incomes have made housing unaffordable for teachers and negatively impacts the ability for the Milpitas Unified School District to recruit and retain qualified public schoolteachers; and

WHEREAS, the National Association of Realtors has determined that the Bay Area had the highest median home prices in the nation at the end of last year. The median home price in the Bay Area was \$665,000. Furthermore, the California Association of Realtors determined that the median home price in Santa Clara County was \$725,000, which is over ten times the annual salary of an entry-level teacher in the MUSD; and

WHEREAS, the City of Milpitas deems it a compelling and legitimate interest to have local public schoolteachers live in Milpitas to enhance the quality of children's lives in the community, to participate and be actively involved in community activities and events to benefit children and to provide a valuable local resource for children and parents in Milpitas; and

WHEREAS, the preference to Milpitas Unified School District public schoolteachers will be narrowly tailored and based on the acute housing crisis for which there are no feasible alternatives other than to implement preferences; and

WHEREAS, the proposed preference for Milpitas Unified School District public schoolteachers would assist in reducing the existing housing crisis for low and moderate income renters and owners within the City of Milpitas; and

WHEREAS, a total eight (8) of the below market-rate affordable units (six very low and two low-income for-sale units) in the Centria and Paragon Residential Projects shall be allocated for Milpitas public schoolteachers; and

WHEREAS, one hundred fourteen (114) for-sale units will still remain available for other low and moderate-income households.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Milpitas finds that Milpitas shall give a preference to Milpitas Unified School District teachers for affordable housing units and to that end shall set-aside a total of eight (8) affordable housing units (six very low and two low-income units) for MUSD teachers.

PASSED AND ADOPTED this 19TH day of December 2006, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

APPROVED:

Mary Lavelle, City Clerk

Jose Esteves, Mayor

APPROVED AS TO FORM:

Steven T. Mattas, City Attorney